

Edgar Filing: Liberty Tax, Inc. - Form 10-Q

Liberty Tax, Inc.
Form 10-Q
March 08, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended January 31, 2016

OR

Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____.

Commission File Number 001-35588

Liberty Tax, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State of incorporation)

27-3561876
(IRS employer identification no.)

1716 Corporate Landing Parkway
Virginia Beach, Virginia 23454
(Address of principal executive offices)
(757) 493-8855
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

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(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes
o No

The number of shares outstanding of the registrant's Class A common stock as of March 1, 2016 was 11,971,808 shares.

The number of shares outstanding of the registrant's Class B common stock as of March 1, 2016 was 900,000 shares.

LIBERTY TAX, INC.

Form 10-Q for the Quarterly Period Ended January 31, 2016

Table of Contents

	Page Number
<u>PART I. FINANCIAL INFORMATION</u>	
<u>Item 1. Financial Statements</u>	<u>3</u>
Consolidated Balance Sheets as of January 31, 2016, April 30, 2015 and January 31, 2015	<u>4</u>
Consolidated Statements of Operations for the three and nine months ended January 31, 2016 and 2015	<u>5</u>
Consolidated Statements of Comprehensive Income (Loss) for the three and nine months ended January 31, 2016 and 2015	<u>6</u>
Condensed Consolidated Statements of Cash Flows for the nine months ended January 31, 2016 and 2015	<u>7</u>
<u>Notes to Condensed Consolidated Financial Statements</u>	<u>9</u>
<u>Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>25</u>
<u>Item 3. Quantitative and Qualitative Disclosures About Market Risk</u>	<u>34</u>
<u>Item 4. Controls and Procedures</u>	<u>34</u>
<u>PART II. OTHER INFORMATION</u>	<u>35</u>
<u>Item 1. Legal Proceedings</u>	<u>35</u>
<u>Item 1A. Risk Factors</u>	<u>35</u>
<u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>35</u>
<u>Item 6. Exhibits</u>	<u>37</u>

PART I

ITEM 1
FINANCIAL STATEMENTS

3

LIBERTY TAX, INC. AND SUBSIDIARIES

Consolidated Balance Sheets

January 31, 2016, April 30, 2015 and January 31, 2015

(In thousands, except share data)

	January 31, 2016 (unaudited)	April 30, 2015	January 31, 2015 (unaudited)
Assets			
Current assets:			
Cash and cash equivalents	\$1,787	\$21,387	\$3,150
Receivables:			
Accounts receivable	59,865	46,121	50,020
Notes receivable - current	90,858	24,465	76,233
Interest receivable	5,156	1,033	3,989
Allowance for doubtful accounts - current	(5,993)	(5,692)	(5,760)
Total current receivables, net	149,886	65,927	124,482
Assets held for sale	11,164	5,160	5,613
Income taxes receivable	16,303	—	17,434
Deferred income tax asset	3,354	6,921	7,574
Other current assets	21,188	6,470	18,371
Total current assets	203,682	105,865	176,624
Property, equipment, and software, net of accumulated depreciation of \$19,825, \$18,951 and \$12,467, respectively	41,216	36,232	42,615
Notes receivable, non-current	34,374	22,416	29,389
Allowance for doubtful accounts, non-current	(1,338)	(1,663)	(1,339)
Total notes receivables, non-current, net	33,036	20,753	28,050
Goodwill	4,069	3,377	3,185
Other intangible assets, net	13,217	14,672	17,358
Other assets	8,580	3,247	3,973
Total assets	\$303,800	\$184,146	\$271,805
Liabilities and Stockholders' Equity			
Current liabilities:			
Current installments of long-term debt	\$5,220	\$3,934	\$4,107
Accounts payable and accrued expenses	15,506	17,321	27,787
Due to area developers ("ADs")	16,258	24,340	14,980
Income taxes payable	—	2,147	—
Deferred revenue - current	4,413	6,076	6,094
Total current liabilities	41,397	53,818	52,968
Long-term debt, excluding current installments	18,532	21,463	21,778
Revolving credit facility	150,682	—	110,762
Deferred revenue - non-current	7,206	7,640	7,777
Deferred income tax liability	6,049	2,363	6,705
Total liabilities	223,866	85,284	199,990
Commitments and contingencies			